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ABSTRACT

Responding to a state legislative mandate establishing the Iowa Educational Excellence Program, a coalition comprised of the Iowa State Education Association, the Iowa Association of School Boards, and the Iowa Department of Education was formed to examine and address the growing needs and concerns of teachers, including teacher compensation. The coalition discussed alternatives and provided direction to setting minimum salaries, increasing salaries, and providing guidance in setting up a performance based pay incentive. The program consisted of three phases which addressed: (1) the recruitment of quality teachers (Phase I); (2) the retention of quality teachers (Phase II); and (3) enhancing the effectiveness of teachers through performance based and supplemental pay (Phase III). Research conduted on the career orientations of high school students, teacher attrition, teacher salary scales, the distribution of state monies in school districts, and teacher-student ratios is analyzed. A recommendation is that Phase III funding to be used to encourage the school districts to engage in staff and curriculum development. (JD)

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# INCENTIVE PAY PLANS IN IOWA IN RESPONSE TO IOWA'S EXCELLENCE IN EDUCATION PROGRAM

by

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In 1987 school districts within the State of Iowa were invited to respond to a state incentive to develop performance-based pay plans to reward teacher excellence. The Iowa legislative mandate, H. F. 499, Educational Excellence Program for Teachers, was signed into law by Governor Terry Branstad on June 9, 1987. The exact wording of the mandate states:

> The purpose of this chapter is to promote excellence in education. In order to maintain and advance the educational excellence in the state of Iowa, this chapter establishes the Iowa educational excellence program. The program shall consist of three major phases addressing the following.
> 1. Phase I -- The recruitment of quality teachers
> 2. Phase II -- The retention of quality teachers
> 3. Phase III -- The enhancement of the quality and effectiveness of teachers through the utilization of performance pay. (Section 294A.1, Code of Iowa 1989)

During the school year 1985-86, teachers' salaries in the State of Iowa ranked 37th in the nation. Phase I of H. F. 499 sought to address the issue of recruiting quality teachers by increasing salaries of all beginning teachers in Iowa to a minimum of $18,000. Phase II dealt with the retention of quality teachers. This part of H. F. 499 provided monies to school districts to raise the salaries of teachers with experience to levels of appropriate compensation in relation to the newly enforced beginning salary. The goal of Phase III was to "enhance quality, effectiveness and performance of Iowa teachers by promoting excellence. This would be accomplished through the development of performance-based pay plans and supplemental pay



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plans..." (H. F. 433 Sec. 294A.1). The budget provided by the State to meet these objectives was approximately $92.5 million per year.

Iowa's Educational Excellence in Education Act responded to the significant educational reform movement at the national and state levels during the 1980's. In August, 1981, the National Commission on Excellence in Education was created to examine the quality of education in the United States. The Commission's report, commonly referred to as, A Nation At Risk, was made public in April, 1983, and became the basis for much research and controversy. Among the findings of the commission was the startling fact that after twelve years of teaching in the public schools, the average teacher's salary in the United States was $17,000 per year.

The Carnegie Forum on Education and the Economy, A Nation Prepared: Teachers for the 21st Century. The Report of the Task Force on Teaching as a Profession, (1986) recommended that states and school districts should move to eliminate the obstacles to career mobility for teachers. This report also recommended that performance-based pay systems be developed and that teachers participate actively in the design of such plans.

Partially in response to national reports, but also in an attempt to examine the needs of Iowa's students and teachers, the State of Iowa developed its own commission to study the status of education, make recommendations, and to suggest goals. This commission produced a report entitled, in the First in the Nation

in Education Report (FINE, 1984.) One of the more than 150 recommendations, recommendation #9 dealt directly with the issue of career mobility and teacher salary:

> For the long run, the Subcommittee recommends development of a long-range plan, based on a "comparable worth" study, for providing substantial increases for classroom teachers and a system for career ladders that includes responsibility-base gradations in salary. (FINE, 1984, 13)

The legislative attempts within the State of Iowa in regard to education over the past ten years, have mirrored some of the national concerns. The year 1979 witnessed the passage of H. F. 374, which changed the standards for pre-service education and certification requirements for teachers. It also created a commission on occupational and professional regulations. In 1984, in addition to the FINE report, the legislature stated that separate contracts could be awarded to coaches, and separated many teaching contracts and contracts for other extra-curricular activities. It was the 1985 legistative session that clearly set Iowa's educational reform movement in motion. In 1985, the legislature mandated staff development for administrators (S. F. 254), set additional requirements for special education and talented and gifted programs (S. F. 26), and passed H. F. 686 (An Act Relating to Plans and Programs for Educational Development in Iowa), which stated, "no later than July 1, 1987, the state board shall adopt new standards for approved schools." New school standards were tied to staff and curriculum development. School districts within Iowa were required to meet the approval

standards adopted by the state board not later than July 1, 1989.

In addition new emphasis on the planning and needs assessment requirements were mandated. Districts were required to 1) determine major educational needs, 2) develop plans to meet those needs, 3) appoint an advisory committee to the board for this activity and 4) report progress to the community and the Department of Education. In 1987 the legislature also required districts to adopt student achievement goals in the areas of reading, writing, speaking, listening, mathematics, reasoning, studying and technological literacy. Districts also were required to provide for periodic assessment to determine if progress toward those goals is being accomplished. The school districts are required to file assessment reports with the Iowa Department of Education.

The above mentioned legislative actions set conditions which encouraged a unique coalition comprised of the Iowa State Education Association, the Iowa Association of School Boards and the Iowa Department of Education to examine and address the growing needs and concerns of teachers and their compensation. This coalition was formed to discuss alternatives and provide direction to setting minimum salaries, increasing salaries and providing guidance in setting up a performance-based pay incentive. The members of the Department of Education staff served as facilitators between the primary teacher's association and the state's school board association. It was not the intent nor did the Department of Education get involved in any areas

covered by collective bargaining. By meeting frequently prior to the legislative session, all parties were able to identify issues, reach compromises, or agree to disagree. The discussions were motivated by the availability of 90 to 100 million new dollars for teacher salaries.

The main issues revolved around how the dollars were going to be allocated, what the minimum salary should be, and what could be asked for in return from the teacher and the school districts. Discussion centered around whether to allocate funds on a per pupil or per teacher basis. Allocation of the expected appropriated funds on the basis of number of pupils or teachers in school districts resulted in a great variation of funding between high and low enrollment districts. Low enrollment school districts would have received very limited funding on a per pupil allocation. Enrollments in Iowa districts ranged from 96 to 30,000 pupils in 1987. By having a minimum salary and allocation of funds on a per pupil basis, both high and low enrollment school districts received the greatest amount of benefit.

The most substantive issues dealt with by the coalition were in regard to Phase III funding and expectations. While the Governor had indicated his preference for performance-based pay for teachers, the teacher's organization remained hesitant to endorse such a program. It was through the hard work of the members of the various organizations, meeting with the Governor's staff and members of the Iowa Department of Education that enabled the passage of H.F. 499 in 1987.

Phase I sought to address the issue of recruiting quality students and individuals into the field of education. Phase I of the Educational Excellence Act provided for a minimum salary of $18,000. The bill provided for an appropriation to allocate to each school district sufficient funds to raise each teacher's salary to $18,000. The difference between a teacher's 1987-88 salary and $18,000 was paid by the state. Of the 436 school districts in Iowa in 1987, 433 school districts had teachers receiving a minimum salary of less than $18,000. The range of salaries in Iowa in 1986 was from $11,000 to $40,500.

The stated goal of Phase I of the Educational Excellence Program for Teachers was to address the recruitment of quality teachers. For the purposes of this study, the "quality" and number of potential teachers was examined by comparing number, percent, GPA, and ACT scores of Iowa high school juniors and seniors taking the ACT test in the year prior to (1987) and after (1989) the enactment of the Educational Excellence Act. For comparisons, students were grouped according to their intended major. Most students graduating in the spring of 1987 took the ACT exam as juniors or prior to the start of the 1986 General Assembly. Of the 23,169 Iowa students (1987) taking the ACT, 2013 indicated they intended to major in the area of education (Table 1). This represented 8.9 percent of the 1987 Iowa students who took the ACT exam. Of the 23,444 Iowa high school

Table 1

Distribution of Planned Educational Majors of Iowa 1987 High School Students vs. Iowa 1989 High School Students

| Major | 1987 Students Number | 1987 Students Percent | 1989 Students Number | 1989 Students Percent |
|---|---|---|---|---|
| Agriculture | 699 | 3.1 | 773 | 3.4 |
| Architecture | 442 | 1.9 | 521 | 2.3 |
| Art | 1060 | 4.7 | 1042 | 4.5 |
| Biology | 439 | 1.9 | 482 | 2.1 |
| Business and Commerce | 5789 | 25.5 | 5787 | 25.1 |
| Community Service | 723 | 3.2 | 693 | 3.0 |
| Computer & Information Science | 723 | 3.2 | 627 | 2.7 |
| Education | 2013 | 8.9 | 2167 | 9.4 |
| Engineering | 1564 | 6.9 | 1503 | 6.5 |
| Foreign Language | 142 | 0.6 | 157 | 0.7 |
| General Studies | 252 | 1.1 | 296 | 1.3 |
| Health Professions | 2554 | 11.2 | 2411 | 10.5 |
| Home Economics | 240 | 1.1 | 203 | 0.9 |
| Letters | 220 | 1.0 | 238 | 1.0 |
| Mathematics | 207 | 0.9 | 174 | 0.8 |
| Physical Science | 284 | 1.3 | 318 | 1.4 |
| Social Studies | 1865 | 8.2 | 2282 | 9.9 |
| Trade and Industry | 554 | 2.4 | 512 | 2.2 |
| Undecided | 1953 | 8.6 | 1863 | 8.1 |
| TOTAL | 23169 | 100.0 | 23444 | 100.0 |

students (1989) who took the ACT exam, 2167, or 9.4 percent indicated they intended to major in education. The number of high school students indicating they would be majoring in education increased by 154 examinees from 1987 to 1989. Of the Iowa students taking the ACT exam, there was a 0.5 percentage point increase in students indicating a proposed major in education between the years 1987 and 1989.

The researchers in this study examined the ACT national distribution of planned high school graduates for the years 1987 and 1989 (Table 2). Nationally, 7.5 percent of the 1987 ACT examinees indicated a planned career in education, while 8.1 percent of the 1989 examinees indicated a preference for the education profession. The national increase of 0.6 percentage point relates to the 0.5 percentage point increase in Iowa.

The composite ACT score of the Iowa class of 1987, prior to enactment of the Educational Excellence law, was 19.0. The composite of the 1989 graduates also was 19.0 (Table 3). The composite score average of the Iowa class of 1987 was 20.3. The class of 1989 had a composite score average of 20.1. When examining the national composite ACT scores of 1987 and 1989 high school students indicating an education major (Table 4), the researchers found scores of 17.6 in 1987 and 17.4 in 1989. The Iowa composite scores for these years are higher than the national composite score, but also show a slight drop. Students also are asked to report their overall high school grades when they take the ACT exam. Student indicating they intended to

Table 2

National Distribution of Planned Educational Majors of 1987 High School Graduates vs. 1989 High School Graduates

| Major | 1987 Number | 1987 Percent | 1989 Number | 1989 Percent |
|---|---|---|---|---|
| Agriculture | 14,757 | 2.0 | 16,350 | 2.0 |
| Architecture | 17,306 | 2.3 | 21,218 | 2.6 |
| Art | 35,151 | 4.7 | 39,207 | 4.8 |
| Biology | 16,796 | 2.3 | 29,052 | 2.3 |
| Business and Commerce | 171,377 | 23.0 | 181,830 | 22.1 |
| Communications | 33,841 | 4.5 | 38,351 | 4.7 |
| Community Service | 21,868 | 2.9 | 25,415 | 3.1 |
| Computer & Information Science | 29,821 | 4.0 | 27,636 | 3.4 |
| Education | 56,166 | 7.5 | 66,941 | 8.1 |
| Engineering | 68,064 | 9.1 | 70,386 | 8.6 |
| Foreign Language | 4,276 | 0.6 | 4,485 | 0.5 |
| General Studies | 9,225 | 1.2 | 9,978 | 1.2 |
| Health Professions | 92,023 | 12.4 | 100,530 | 12.2 |
| Home Economics | 6,365 | 0.9 | 6,269 | 0.8 |
| Letters | 7,149 | 1.0 | 8,174 | 1.0 |
| Mathematics | 4,982 | 0.7 | 4,826 | 0.6 |
| Physical Science | 10,458 | 1.4 | 11,878 | 1.4 |
| Social Studies | 67,216 | 9.0 | 88,539 | 10.8 |
| Trade and Industry | 18,848 | 2.5 | 19,267 | 2.3 |
| Undecided | 58,803 | 7.9 | 62,748 | 7.6 |
| TOTAL | 744,491 | 100.0 | 823,080 | 100.0 |

Table 3

Composite ACT Scores of 1987 and 1989 Iowa High School Students By Planned Education Majors

| Major | 1987 Students Composite Score | 1989 Students Composite Score |
|---|---|---|
| Agriculture | 18.9 | 18.5 |
| Architecture | 19.7 | 20.0 |
| Art | 19.6 | 19.5 |
| Biology | 22.9 | 22.8 |
| Business and Commerce | 19.5 | 19.4 |
| Communications | 20.4 | 20.5 |
| Computer and Information Science | 21.4 | 21.2 |
| Education | 19.0 | 19.0 |
| Engineering | 23.7 | 23.7 |
| Foreign Language | 23.1 | 21.7 |
| General Studies | 19.2 | 19.3 |
| Health Professions | 21.0 | 20.6 |
| Home Economics | 16.7 | 16.4 |
| Letters | 22.3 | 22.8 |
| Mathematics | 24.0 | 24.7 |
| Physical Science | 24.6 | 24.4 |
| Social Studies | 21.2 | 21.2 |
| Trade and Industry | 18.5 | 18.0 |
| Undecided | 20.0 | 19.4 |

Table 4

National Composite ACT scores of 1987 and 1989 High School Students By Planned Educational Majors

| Major | 1987 Students Composite Score | 1989 Students Composite Score |
|---|---|---|
| Agriculture | 17.0 | 16.7 |
| Architecture | 18.6 | 18.6 |
| Art | 18.2 | 18.1 |
| Biology | 21.8 | 21.7 |
| Business and Commerce | 17.9 | 17.9 |
| Communications | 19.0 | 19.0 |
| Community Service | 16.0 | 15.7 |
| Computer & Information Science | 18.1 | 17.5 |
| Education | 17.6 | 17.4 |
| Engineering | 21.9 | 21.8 |
| Foreign Language | 21.1 | 21.1 |
| General Studies | 18.4 | 18.2 |
| Health Professions | 18.9 | 18.6 |
| Home Economics | 15.5 | 15.4 |
| Letters | 22.1 | 22.3 |
| Mathematics | 22.7 | 22.6 |
| Physical Science | 23.1 | 22.8 |
| Social Science | 19.9 | 19.8 |
| Trade and Industry | 16.7 | 16.6 |
| Undecided | 18.2 | 18.0 |

major in education, prior to the bill's enactment had approximately the same GPA, 2.68, as potential education majors in the class of 1989, 2.69 (Table 5).

Phase II of the Iowa legislative mandate, H.F. 499, was concerned with the retention of quality teachers. The general feeling within the state of Iowa was that quality teachers often leave the education field prior to retirement to seek other employment. Teachers most frequently list their reasons for leaving the profession as lack of opportunity for professional growth, working conditions that impede classroom performance, failure to deal effectively with student behavior, excessive managerial duties, and conflicts with administrators and colleagues (Bredeson, et. al., 1983; Frase, et. al., 1987; Frataccia & Hennington, 1982; Johnson, 1986; Rosenholtz, 1985). Goodlad (1984) found that although money was not a major reason teachers gave for entering the profession, it ranked second as a reason for leaving.

The total allocation for Phase II was $38.5 million. All teachers in Iowa received monies under Phase II. Each school district received $75.93 based on per pupil enrollment to supplement teacher salaries under Phase II. Teachers in low enrollment districts received a smaller amount of Phase II dollars.

Table 5

High School GPA Scores of 1987 and 1989 Iowa High School Students By Planned Education Majors Based on ACT Data

| Major | 1987 Student GPA's | 1989 Student GPA's |
|---|---|---|
| Agriculture | 2.49 | 2.51 |
| Architecture | 2.56 | 2.66 |
| Art | 2.50 | 2.45 |
| Biology | 2.99 | 3.03 |
| Business and Commerce | 2.69 | 2.70 |
| Communications | 2.69 | 2.66 |
| Community Service | 2.31 | 2.40 |
| Computer and Information Science | 2.74 | 2.71 |
| Education | 2.68 | 2.69 |
| Engineering | 3.13 | 3.12 |
| Foreign Language | 2.96 | 2.87 |
| General Studies | 2.55 | 2.65 |
| Health Professions | 2.95 | 2.95 |
| Home Economics | 2.47 | 2.45 |
| Letters | 2.87 | 2.95 |
| Mathematics | 3.26 | 3.38 |
| Physical Science | 3.15 | 3.18 |
| Social Studies | 2.83 | 2.85 |
| Trade and Industry | 2.43 | 2.30 |
| Undecided | 2.66 | 2.64 |

For this study the retention of quality teachers was examined by comparing the number of teachers in Iowa leaving the system and the age of those teachers. Using Iowa Department of Education administrative records, data bases for the school years 1984-85 through 1989-90 were matched using either the teacher certificate number or social security number. The percent of teachers not found in the state administrative records from one year to the next ranged from 5.3 to 6.95 percent. The lowest number and percent of teachers "leaving" education since 1984 were found to be in the last three years (Table 6). Of the 2153 teachers present in the 1984-85 school year but not present in 1985-86, approximately 32.6 percent were under the age of 30 (Table 6).

Table 6

Number of Teachers "Leaving" Education Each Year Between 1984 and 1989 by Age of the Teacher

| | 1984 to 1985 | | 1985 to 1986 | | 1986 to 1987 | | 1987 to 1988 | | 1988 to 1989 | |
|---|---|---|---|---|---|---|---|---|---|---|
| Age | Number | % | Number | % | Number | % | Number | % | Number | % |
| Less than 25 | 256 | 11.9 | 252 | 11.3 | 173 | 9.1 | 165 | 9.7 | 161 | 8.2 |
| 25-29 | 446 | 20.7 | 462 | 20.6 | 318 | 16.7 | 295 | 17.4 | 320 | 16.2 |
| 30-34 | 381 | 17.7 | 390 | 17.4 | 304 | 16.0 | 240 | 14.2 | 245 | 12.4 |
| 35-39 | 252 | 11.7 | 258 | 11.5 | 251 | 13.2 | 234 | 13.8 | 258 | 13.1 |
| 40-44 | 127 | 5.9 | 138 | 6.2 | 132 | 6.9 | 158 | 9.3 | 174 | 8.8 |
| 45-49 | 90 | 4.2 | 117 | 5.2 | 92 | 4.8 | 76 | 4.5 | 120 | 6.1 |
| 50-54 | 68 | 3.2 | 70 | 3.1 | 73 | 3.8 | 70 | 4.1 | 70 | 3.5 |
| 55-59 | 111 | 5.2 | 124 | 5.5 | 143 | 7.5 | 90 | 5.3 | 201 | 10.2 |
| 60 or greater | 422 | 19.6 | 429 | 19.2 | 415 | 21.8 | 367 | 21.5 | 424 | 21.5 |
| TOTAL | 2153 | 100.0 | 2250 | 100.0 | 1901 | 100.0 | 1695 | 100.0 | 1973 | 100.0 |

In the first three years of the Excellence in Education funding, the percent of teachers who left the system and who were under the age of 30 was 25.8, 27.1, and 24.4 respectively. In the two years prior to the passage of the bill, the percent of teachers who left the system and who were under the age of 30 was 32.6 and 31.9 respectively. This data indicates a higher retention rate from teachers under the age of 30 since the passage of H.F. 499. A much higher proportion of teachers above the age of 54 left between the 1988-89 and the 1989-90 school years. Between 1988-1989 and 1989-90, the percent of teachers leaving education, ages 55 and over, was 31.7 percent, compared to 24.8 percent between the 1984-85 and 1985-86 school year.

Table 7 indicates overall Iowa teacher attrition for the school years 1984-1989.

Table 7

Teacher Attrition in Iowa by Year, 1984-1989

| Year | Teachers | # Not in Public Education the Following Year | Percent |
|---|---|---|---|
| 1984-85 | 32,224 | 2,153 | 6.68 |
| 1985-86 | 32,240 | 2,240 | 6.95 |
| 1986-87 | 31,873 | 1,901 | 5.96 |
| 1987-88 | 32,002 | 1,695 | 5.30 |
| 1988-89 | 32,151 | 1,973 | 6.14 |

The uniqueness of Iowa's Excellence in Education Act, as compared to developments in other states such as Utah, Tennessee, and Florida, is that decisions regarding the development and implementation of Phase III of H. F. 499 are to be carried out at the local level. This enables, and encourages, individual school districts to address identified needs, and to formulate district-specific means to increase teacher excellence. This directly conforms with research on the development of performance-based pay incentives for teachers. The process is a bottom-up.

H. F. 499 allows decisions regarding the development and implementation of Phase III plans to be carried out at the local level. Districts were encouraged to study research on performance-based pay plans. They were provided research articles, a bibliography and access to additional information by the Iowa Department of Education. All schools received approximately thirty abstracts and instructions on how to access additional information from the Department. H. F. 499 defines the requirements of performance-based and supplemental pay plans in the following manner:

> For the purpose of this section, a performance-based pay plan shall provide for salary increases for teachers who demonstrate superior performance in completing assigned duties. The plan shall include the method used to determine superior performance of a teacher. For school districts, the plan may include assessments of specific teaching behavior, assessments of student performance, assessments of other characteristics associated with effective teaching, or a combination of these criteria.
>
> For school districts, a performance-based pay plan may provide for additional salary for individual teachers or for additional salary for all teachers assigned to an attendance center. For area education

agencies, a performance-based pay plan may provide for additional salary for individual teachers or for additional salary for all teachers assigned to a specific discipline within an area education agency. If the plan provides additional salary for all teachers assigned to an attendance center, or specific discipline, the receipt of additional salary by those teachers shall be determined on the basis of whether that attendance center or specific discipline, meets specific objectives adopted for that attendance center, or specific discipline. For school districts, the objectives may include, but are not limited to, decreasing the dropout rate, increasing the attendance rate, or accelerating the achievement growth of students enrolled in that attendance center....(Section 294A.1-5, Code of Iowa 1989)

For the purpose of this section, a supplemental pay plan in a school district shall provide for the payment of additional salary to teachers who participate in either additional instruction work assignments or specialized training during the regular school day or during the extended school day, school week, or school year. A supplemental pay plan in an area education agency shall provide for the payment of additional salary to teachers who participate in either additional work assignments or improvement of instruction activities with school districts during the regular school day or during an extended school day, school week, or school year.

For school districts, additional instructional work assignments may include but are not limited to general curriculum planning and development, vertical articulation of curriculum, horizontal curriculum coordination, development of educational measurement practices for the school district, development plans for assisting beginning teachers during their first year of teaching, attendance at summer staff development programs, development of staff development programs for other teachers to be presented during the school year, and other plans locally determined in the manner specified in section 294A.15 and approved by the department of education under section 294A.16 that are of equal importance or more appropriately meet the educational needs of the school district. (Section 294A.1-5, Code of Iowa 1989)

Under Phase III each school district in the State of Iowa was to received $82.66 per pupil (based on enrollment figures from the

second Friday of September). All districts requesting Phase III funds for the 1988-89 school year were required to submit plans to the Department of Education by January 1, 1988. Table 8 indicates the number of school districts applying for and receiving Phase III funding for years 1987-1990.

Table 8

Phase III Status Report by Year

| Year | Number of Eligible Districts | Number of Districts Applying | Number of Districts Receiving $ | Number of Districts Not Applying |
|---|---|---|---|---|
| 1987-88 | 436 | 432 | 428 | 4 |
| 1988-89 | 433 | 433 | 433 | 0 |
| 1989-90 | 431 | 431 | 429 | 0 |

The Iowa Department of Education received Phase III plans from 428 out of a possible 436 school districts by January 1, 1988. Most plans submitted to the Department of Education reported an interest in developing some type of differential pay in the next few years. Three districts submitted performance-based pay plans, fifty-five districts submitted combination plans, which contain elements of both performance-based and supplemental pay plans. Of the 428 school districts submitting plans, sixteen districts paired to submit eight joint plans.

Nine school districts did not initially meet the legal requirements established by the Iowa Department of Education for submission of Phase III plans for the 1987-88 school year. Of

the nine school districts, five later received approval from the Department of Education for funding. Reasons reported by the Department of Education for districts not submitting Phase III plans were failure to meet the established time line and an inability for school districts and collective bargaining units to reach agreements. Four districts did not apply.

House File 499 required that a Phase III plan provide for the establishment of a performance-based pay plan, a supplemental pay plan or a combination of the two pay plans. A performance-based pay plan is defined as one providing salary increases for teachers who demonstrate superior performance in completing assigned duties. A supplemental pay plan is one which provides for the payment of additional salary to teachers who participate in either additional instructional work assignments or specialized training during the regular school day or during the extended school day, school week or school year. A combination pay plan is one which contain both a performance-based pay plan and a supplemental pay plan.

In studying Phase III plans for 1987-88, Luck (1988) found three school districts, less than one percent of the school districts in Iowa, submitted only performance-based pay plans. Combination plans (those with both performance-based and supplemental pay components) were submitted by 53 school districts, 12.1 percent of Iowa's 436 school districts. Of the 371 school districts that submitted straight supplemental pay plans, 81.9 percent reported they would study and/or develop

performance-based pay plans in the next three years (see Table 9). These figures provide information as to what was developed by school districts in the first six months of work on Phase III, June through December 1987.

Table 9

Classification by Type of Plan for School Districts, 1987-88

| Type | School Districts Number | Percent |
|---|---|---|
| Supplemental | 371 | 86.9 |
| Performance-based pay only | 3 | .7 |
| Combination (both supplemental and performance-based pay) | 53 | 12.4 |

Note: N = 427

Supplemental pay plans are those which provide monetary compensation to teachers for work done beyond, or outside, of their regular teaching contract. Activities that are included in supplemental pay plans are curriculum development, teaching summer school, tutoring students outside the normal school day, extended day programs, field trips, working athletic events and various staff development activities. All supplemental pay plans for the school year 1987-88 listed staff development as an area for funding. Other areas most frequently listed were curriculum development, study of performance-based pay, additional duties and teacher developed activities (see Table 10).

Table 10

Summary of Activities Proposed by the 371 School Districts with a Supplemental Pay Plan Only 1987-88

| Activity | Percent of Districts | Number of Districts |
|---|---|---|
| Staff Development | 100.0 | 371 |
| Curriculum Development | 97.0 | 360 |
| Performance-based Pay Study | 81.9 | 304 |
| Additional Teaching/ Instructional Duties | 73.3 | 272 |
| Teacher Developed Activities | 52.0 | 193 |

Combination Pay Plans

As described earlier, a combination pay plan contains both performance-based and supplemental activities. Combination plans were submitted by 53 or 12.4% of the 427 school districts in 1987-88.

Fifty-two of the fifty-three school districts (98.1%) with combination pay plans have some type of staff development included. Activities listed by the 53 school districts under the performance-based pay sections of their plans are referred to in Table 11. Districts had several components under which teachers could earn performance-based pay.

Three school districts submitted plans containing only performance-based pay components. Commonalities of the three plans include: 1) recognition and reward for improved teacher performance; 2) increased student achievement; 3) professional growth and contributions; 4) a variety of options for acquiring

Table 11

Type of Performance-based Pay Plan Proposed by the 53 School Districts with a Combination Supplemental and Performance-based Pay Plans 1987-88

| Type of Plan | Percent of Districts | Number of Districts |
|---|---|---|
| Individual Goals | 45.3 | 24 |
| Performance Evaluation | 37.7 | 20 |
| Peer Review | 18.9 | 10 |
| Career Ladder | 17.0 | 9 |
| Building Level Goals | 17.0 | 9 |
| Individual Activities | 11.3 | 6 |
| Student Achievement | 7.5 | 4 |

Note: N = 53

performance pay; 5) eligibility for all teachers to participate; and 6) specific standards/criteria to be met for eligibility.

Phase III funds, under H.F. 499, could not be used to supplant activities already in place.

The Director of Education for the State of Iowa, William Lepley wrote, "Iowa's performance-based pay plan was designed to provide teachers with the opportunity and potential to become involved in making long term changes in the ways schools operate. This flexibility in Iowa's performance-based pay plan gives local school districts the prerogative to correct those conditions that cripple the drive for excellence and allows change to take place in the schools rather than in the state legislature (Lepley, 1988).

Theobald (1989) studied the 1987-88 Phase III plans as a means of restructuring Iowa schools. She stated, "Whether done

intentionally, or not, Phase III is serving as a vehicle for restructuring Iowa schools." Of 400 Phase III plans, she reported 65 percent were using Phase III funds for staff development in effective teaching practices and 71 percent were using funds for course curriculum development. Theobald, citing Harvey, Crandall, McCune and others, classified the components of restructuring into the two main areas, teaching and learning and organization and management. Table 12 shows Theobald's (1989) components under each heading. Theobald gives examples of specific Iowa school districts whose Phase III plans fit into each category.

Clegg (1989) studied 50 Phase III plans submitted for school year 1987-88 from school districts with median K-12 enrollments of 1,000 (Range 820-1,381). He identified 360 initiatives which he reported were comprised of 88 different types of activities.

Table 12

Foundations of School Restructuring

| Teaching and Learning | Organization and Management |
|---|---|
| 1. Focus on outcomes | 1. Focus at Building level |
| 2. New and expanded roles | 2. New administrative roles and responsibilities |
| 3. Accountability for student achievement | 3. Accountability for the success of the organization |
| 4. Personalized teaching and learning | 4. Supportive organizational climate |
| 5. Applied research and development | 5. Expanded community relationships |

He stated these activities fell into four main categories: teacher-created, student-centered, curriculum development, and performance-based pay activities. Teacher-centered activities (136) were reported in 19 of 50 plans. These activities rewarded teachers for participating in endeavors that would provide them additional skills and teaching. Student-centered activities (88) were to provide students with additional learning activities. Of the activities that were student-centered, 21 dealt with the development of summer school programs, others most frequently mentioned were student tutoring programs, vaguely defined teacher-developed activities, enrichment and remedial programs. Only three of the student centered activities were specifically addressed to "at risk" programs.

Curriculum development was mentioned in 24 of the 50 plans studied, with 66 identified activities. The 66 activities were grouped into 18 different areas. The activities most frequently identified were: curriculum development, teacher-developed curriculum activities, revising and updating curriculum and articulating curricula.

Performance-based pay related activities were identified only 49 times. "Research/Study Performance Pay" was the most frequently identified (38) performance-based pay activity. Only four of the school districts studied by Clegg indicated the intent to implement performance-based pay.

Data collected from the 1988-89 school year, indicates that the total number of teachers eligible to receive Phase III funds

during the 1988-89 school year was 33,374. Teachers could receive Phase III funds as salary, and as tuition and travel reimbursement for attending conferences, workshops, or college courses along with required staff development materials. Direct salary payments were made to 87.5% of all eligible teachers, or 29,227. On a statewide average, each teacher earning Phase III funds as salary received $1,145.

For expenses incurred while traveling to workshops, conferences, college or university courses, and other related events, 6,724 teacher (20% of all eligible teachers) received an average of $179. Almost one-fourth of all eligible teachers were reimbursed by Phase III funds for attending conferences and workshops.

Completing university and college courses to increase content and subject area knowledge, and to obtain further certification were reimbursable expenses. An average of $379 was paid to 4,226 teachers, or 12.6% of all teachers eligible (Table 13).

Table 13

Description of Expenditures: Teacher Salary Increases

| Category | Number of Teachers | Average Dollars Received/Teacher |
|---|---|---|
| Salary | 29,227 | $1,145 |
| Travel Expenses | 6,724 | $ 179 |
| Tuition | 4,226 | $ 379 |
| Conferences/workshops | 7,834 | $ 123 |

Note: Total Eligible Teachers: 33,374
14 AEAs & 428 districts reporting
(Eckles, 1990)

Approximately 83.8 percent of the 1988-89 Phase III funds were expended on teacher salaries and benefits (Table 14). Another 8.3 percent of the funds were spent directly on teachers' travel, tuition, conferences and workshops. Proportion of Phase III funds going for implementation on the 1988-89 school year was 7.9 percent.

Table 14
Description of Expenditures: Cost Analysis

| | Percentage |
|---|---|
| Teacher Salary Increases | 92.1% |
| Teacher salaries | 74.4% |
| FICA & IPERS | 9.4% |
| Travel expenses | 2.7% |
| Tuition | 3.5% |
| Conferences/workshops | 2.1% |
| Implementation Costs: | 7.9% |
| Indirect Costs | 3.1% |
| Substitute Teachers | 1.8% |
| Consultants | 1.4% |
| Student tuition | 0.9% |
| Staff development supplies | 0.7% |

Note: Based on 14 AEAs and 428 districts (Eckles, 1990)

The assignments of teachers receiving and not receiving Phase III funds were examined for the 1988-89 school year. Thirteen major assignment areas were identified (Table 15). Slightly more than 95 percent of the teachers having an elementary teaching assignment were recipients of Phase III funds.

Table 15

Teacher Assignments by Receiving vs. Not Receiving Phase III Dollars for the 1988-89 School Year

| Assignment | Number Receiving | Percent Receiving | Number Not Receiving | Percent Not Receiving |
|---|---|---|---|---|
| English/Language Arts | 3159 | 92.0 | 275 | 8.0 |
| Fine Arts | 2450 | 85.2 | 424 | 14.8 |
| Foreign Language | 650 | 89.5 | 76 | 10.5 |
| Health | 475 | 94.4 | 28 | 5.6 |
| Mathematics | 2162 | 91.1 | 211 | 8.9 |
| Physical Education | 1449 | 86.1 | 234 | 13.9 |
| Science | 1531 | 90.9 | 154 | 9.1 |
| Social Studies | 1580 | 90.2 | 172 | 9.8 |
| Vocational Education | 2439 | 89.1 | 297 | 10.9 |
| Special Program[1] | 7424 | 90.5 | 783 | 9.5 |
| Administrative/Student[2] Support Services | 3168 | 80.7 | 759 | 19.3 |
| Elementary | 10339 | 95.1 | 532 | 4.9 |
| Special Education | 3802 | 85.0 | 672 | 15.0 |

[1] coaching, computer literacy, driver education, gifted, religion, ROTC
[2] library-media, counselors, consultants, program coordinators, department heads.

In April, 1989, the Iowa State Education Association (ISEA) invited leaders and members from its 25 largest associations to identify the successes and weaknesses of Phase III. The conference attendees--representing half the teachers in the

state--concluded that Phase III was enhancing the professional status of teachers by providing growth opportunities. The opportunities were providing a foundation for teachers to be innovative in areas of educational reform within their districts. Teachers were broadening their base of knowledge about teaching and research, and applying that knowledge within their schools, positively affecting student growth. The voluntary aspect of the program allowed teachers "ownership" for their own professional development, which, in turn, strengthened teachers' perception of themselves as professionals (Sutton, 1989).

In September, 1989, the Roper Organization released the results of a poll of teachers in the Midwest, commissioned by the Midwest Council of State Legislators. On behalf of the Midwestern Office of The Council of State Governments, the Roper Organization, Inc. mailed questionnaires to 10,412 teachers, principals, and district administrators in twelve midwestern states (Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Mississippi, Nebraska, North Dakota, Ohio and South Dakota). Their report is based on 2,411 responses. Iowa respondents represent 9% of the responses. In its report on Iowa, the poll found:

> Iowa, of all Midwestern States, had the lowest average percentage of educators who think that major changes are needed at the state level: only slightly over a third (35%) versus over half (55%) of Midwestern educators.
>
> "Sixty-five percent of Iowa educators surveyed think their state legislators have supported educational reform needed in their state, versus less than half of educators overall (45%).

"Educators in Iowa (66%) have seen an improvement in state legislators' efforts to resolve their state's problems in education over the past five years (while six in ten Midwestern educators saw no improvement in legislative efforts).

"Educators were asked to rate 12 possible learning barriers to their students, on a scale from "1" to "10", where "1" means that it is not at all a learning barrier and "10" means that it is a major learning barrier for students. Two problems listed high among educators in Iowa: students unstable family life - 6.0, and lack of parental involvement 5.1.

"Also, out of a list of a dozen problems, only three were considered problems by the majority of Iowa educators. Topping this list are alcohol abuse (59%), latch-key children (58%), and parental neglect (56%).

"Educators in Iowa are split between thinking the state should have less involvement (34%) and that its involvement is "fine as it is" (33%).

"Educators in Iowa share the sentiment of most of their colleagues in the other Midwestern states, with majorities in Iowa desiring the state to become involved in more equitable school funding (74% are of this opinion), teachers' salaries (66%) and state-wide academic standards and regulations (51%).

In response to the question, "Is there any specific legislation, program or local action that your school has implemented which you feel has provided extensive help in improving education?" Iowa respondents reported:

38% - Phase III
11% - Curriculum development
11% - Phase I
10% - Raising teachers salaries (Roper, 1989)

In opening remarks at the Director's Conference on Phase III, January 8, 1990, Iowa's Director of Education, Dr. Lepley, specifically remarked about Phase III's contributions to school restructuring. "Phase III activities and plans have been overwhelmingly successful. Plans are becoming more visionary,

more focused on results as trust develops among the partners over time." Lepley pointed to the fact that Phase III is changing relationships, roles and rules that are operating with the public schools.

The Iowa legislature is in the process of amending the language of Section 294A.12 to reward schools and school districts for collaborative restructuring efforts. The following H. F. 2271, has been approved by the Iowa House, and is pending in the Senate.

HOUSE FILE 2271

"Section 1. Section 294A.12, unnumbered paragraph 2, Code 1989, is amended to read as follows:

It is the intent of the general assembly that school districts and area education agencies incorporate into their planning for performance-based pay plans and supplemental pay plans, implementation of recommendations from recently issued national and state reports relating to the requirements of the educational system for meeting future educational needs, especially as they relate to the preparation, working conditions, and responsibilities of teachers, including but not limited to assistance to new teachers, development of teachers as instructional leaders in their schools and school districts, using teachers for evaluation and diagnosis of other teachers' techniques, and the implementation of sabbatical leaves. It is further the intent of the general assembly that real and fundamental change in the education system is to remain relevant and that plans funded in this program must be an integral part of a comprehensive school district or area education agency effort toward meeting identified district or agency goals or needs."

Sec. 2 Section 294A.14, unnumbered paragraphs 2, 4, and 5, Code Supplement 1989, are amended to read as follows:

Notwithstanding the amount per pupil of the payments specified in this section, for the fiscal year beginning July 1, 1991, and each succeeding fiscal year, if a school district's or area education agency's approved phase III plan for a fiscal year contains a component that includes a performance-based play plan

which provides for salary increases for teachers who demonstrate superior performance in completing assigned duties or by participating in innovative education programs or comprehensive school transformation programs, the per pupil amount upon which the phase III moneys are based shall be increased by an amount equal to the product of the state percent of growth calculated under section 257.8 and the per pupil amount for the previous fiscal year.

A plan shall be developed using the procedure specified under section 294A.15. The plan shall provide for the establishment of a performance-based pay plan, a supplemental pay plan, or a combination of the two pay plans, or comprehensive school transformation programs, and shall include a budget for the cost of implementing the plan.

. . . . NEW UNNUMBERED PARAGRAPH. The purposes of this section, a comprehensive school transformation plan shall include, but is not limited to, providing salary increases to teachers who implement site-based decision making, building-based goal-oriented compensation mechanisms, or approved innovative educational programs, who focus on student outcomes, who direct accountability for student achievement, accountability for organizational success, and who work to expand community or business relationships.

While the new wording suggested to amend section 294A.12 indicates a movement away from rewarding individual teaching performance, and movement toward school-wide improvement models, it clearly states that those school districts which do include performance-based pay plans for superior teaching performance will receive additional school funding. From this, districts might understandably consider implementation of performance-based pay plans.

A strong example of leadership in school restructuring, or a school-wide improvement model, is taking place in Urbandale, Iowa. Urbandale Community School District is a suburban school district, northwest of Des Moines with 3,071 students, grades K-

12. In the 1988-89 school year, all kindergarten students from around the district were brought together in a newly developed early childhood center. Elementary schools, grades 1-5, are involved in a "rescheduling." For one half of their instructional day, 180 minutes, all students are organized into units of one teacher and an average of fifteen students. The subjects of reading, language arts, and math are taught in this uninterrupted block of time in which the teacher has total discretion over the amount of time allocated to any of those curricular areas. The special education staff has been reassigned to teach a rescheduled section that will have both regular and special education students. To support rescheduling, 60 hours of staff development was provided to special education teachers following a five step paradigm emphasizing theory, demonstration practice, feedback and coaching, and focused on adult learning styles and communication skills critical to a consultation model.

In the middle school (grades 6-8), teams of two teachers are responsible for approximately 50 students. One teacher teaching language arts, reading and social studies, and the other teaching science, math and health. Every certified person meets with student advisory groups for three 27 minute blocks each week. These groups deal with affective issues and problem-solving related to early adolescence.

The high school is in the process of reviewing and redesigning its curriculum and evaluation procedures.

Urbandale has moved to site-based decision making and goal setting for each building, following broad strategic directions set by community, staff and board. Each school has a building improvement team which assists the faculty in the development of student-focused goals. Staff development for each faculty member (60 hours), is aimed at improving instructional strategies, increase faculty cohesiveness and reduce isolation. Teachers and administrators work together in study groups for the purpose of instructional change and achievement of school goals. (Carren, 1990)

The excitement and enthusiasm for positive changes arising from Phase III can be gleaned from the following comments of school districts in various locations in Iowa given at the Legislative Hearing on Phase III, in Des Moines, Iowa on January 30, 1990.

> As a member of the teaching profession for 25 years in the Mt. Ayr district, I have seen the highs and lows of teaching. One thing Phase III has done for us is improve morale. Besides improving morale of education, Phase III monies have done much for the improvement of education. One key factor has been trust. Student evaluation of teachers. . . . results used for the improvement of teaching and education of our students. (Jean Yearous, Mt. Ayr Community School District)

> I believe our Ankeny Phase III plan is helping to revitalize teaching. It is providing a means for teachers to work individually and/or together towards achieving common goals. . . . A spirit of collaboration and collegiality is being developed throughout our district where teachers share ideas rather than compete - elementary action plans assist at-risk students, staff development to improve effectiveness of instruction, peer-teaching or mentor of new staff members. (Linda Smith, Ankeny Community School District)

> Phase III has served as an impetus for change. Individual teachers have had the opportunity to improve and enhance their skills and knowledge for the benefit of their students. The burden of Phase III has been the time it requires - bargaining, committee work, screening programs. (Doreen M. Rich, Mason City Community School District)
>
> South Tama Community Success for Tomorrow's Citizens - teaching playing key roles in the decision-making process at both building and district levels . Teacher leaders and administrators are forming partnerships like never before. . . . (Craig Bancroft, South Tama Community School District)

Phase III, as one might imagine, is not without problems or detractors. School administrators have criticized Phase III in that they were not included directly. The one group left out of Phase III was the school administrators. This issue has been addressed repeatedly by school administrators, Luck (1988), and most recently by Gaylord Tyron, Executive Director of School Administrators of Iowa. In his remarks to the legislative hearing, Tyron stated:

> The unfortunate thing about all of this is that when House File 499 was first conceived, school administrators were not invited to be a part of the discussion group that put together the nitty gritty of this milestone legislation. While we commend the ISEA, the IASB and Governor Branstad for their foresight in HF 499, we must also fault them on two fronts:
>
> 1. One, for not including administrators in the initial planning stages and
> 2. Two, for not allowing administrators the same privileges as classroom teachers in terms of receiving the financial dividends of Phase I, II, and III -- especially Phase III.
>
> Local administrators are oftentimes faulted for not being ardent supports of portions of this legislation. Is it any wonder?
>
> * They had no input into the initial development of the Plan.
> * They are not eligible to receive any compensation from the Plan

* Their workloads have increased drastically because of Phase III
* And, while the additional pay meter is running for classroom teachers during Phase III activities, administrators are at the same meetings giving unselfishly of their time, without receiving any additional compensation -- time they could be spending on other equally important activities.

We have and will continue to support the intent of Phase III. A strong, collaborative effort at the local level cannot help but enhance the educational opportunities in Iowa. The unfortunate thing that has occurred is the tremendous time commitment Phase III has required of teachers and administrators alike.

The following tables clearly present the issues related to Phase III and salaries for teachers and administrators.

Ratio between teacher salaries and administrators salaries.

| | 1986-1987 | 1989-1990 |
|---|---|---|
| Superintendents | 1.874 | 1.787 |
| High School Principals | 1.704 | 1.580 |
| Middle School Principals | 1.671 | 1.527 |
| Elementary Principals | 1.635 | 1.500 |

Translated into dollars, average salaries for the same two years are as follows. (All Phase monies are included in average teacher salary for 1987-1990).

| | 1986-1987 | 1989-1990 |
|---|---|---|
| Teachers | $22,477 | $28,044 |
| Superintendents | 42,138 | 50,135 |
| High School Principals | 38,319 | 44,321 |
| Middle School Principals | 37,567 | 42,832 |
| Elementary Principals | 36,759 | 42,068 |

The average teachers salary has increased by about 25% since 1986-1987. Salaries for school administrators have increased at a much slower pace. For example:

Superintendents salaries have increased by 19%
High School Principals have increased by 16%
Middle School Principals have increased by 14%
Elementary Principals have increased by 14%

We are estimating an average teacher salary increase of 7% for next year (to $30,000). This being the case, school administrator salaries would have to increase by the following percentages to get back to the teacher-administrator salary ratios of pre-phase years (1986-87):

| | | |
|---|---|---|
| Superintendents | 12.2% | ($6098) |
| High School Principals | 15.4% | ($6811) |
| Middle School Principals | 17.1% | ($7310) |
| Elementary Principals | 16.6% | ($6993) |

(Tyron, 1990)

A proposal during the 1990 legislative session in the Senate, recommended moving $35 million out of Phase III. These funds were to be used for across the board salary increases for teachers. This recommendation was defeated by a vote 36 to 10 in the full Senate.

The Iowa teachers association is asking that the minimum salary of $18,000 be raised to $22,000 for the 1991 school year for beginning teachers and a state minimum of $26,000 for all teachers with a master's degree. It is assumed by many that funds for this proposal would have to come from the Phase III allotment.

Iowa, in the school year 1989-90, is beginning the third year of implementation of H. F. 499. What changes has this legislative mandate brought to the educational programs, teachers, and administrators in Iowa?

We cannot answer the question as to whether or not Phase III has enhanced the quality, effectiveness and performance of Iowa's teachers. We do know that the enthusiasm for Phase III seems directly related to the quality of the district plan, the levels

of trust and cooperation within the district, and genuine efforts by districts to explore ways to meet their identified needs. We do know that teachers are receiving additional money for work that prior to Phase III would have been done without pay.

It is evident that a major issue in Phase III is the lack of evaluation of its impact at both the local and state level. The final report is not yet completed by the Department of Education on Phase III plans for the 1988-89 school year; nor is the initial evaluation of Phase III plans for the 1989-90 school year completed. The Iowa legislature is discussing an allocation of $250,000 for the evaluation of Phase III by an agency outside the Iowa Department of Education. This follows Utah's example of outside evaluation by the Far West Laboratory for Educational Research and Development and recommendations by Luck (1988).

The lack of sound evaluation proposals has been address by the Iowa Department of Education. In the second year of the Phase III initiative the Department contracted for the development of an evaluation guide (Iowa Department of Education, 1989). In addition, three workshops were held with approximately 250 teachers, administrators, and evaluators attending. The lack of an understanding of how to go about evaluating activities under Phase III is probably reflective of the type of teacher preparation programs and/or the insufficient number of trained evaluators in school districts and area education agencies in the state of Iowa.

Change in legislative language, as stated previously, shows a maturation (growth) within the state relating to the positive effect of collaboration and cooperation within successful organizations. Moving away from competitive situations for teachers within schools follows much of the current research on effective schools.

Conclusion

The Iowa Educational Excellence Program for Teachers was passed and signed into law to "promote excellence in education." The program consists of three phases to address the recruitment of quality teachers, the retention of quality teachers and the enhancement of quality and effectiveness of teachers.

Phase I, II and III collectively appear to have some impact on recruitment and retention of teachers in Iowa. Phase I established a minimum salary of $18,000 and Phase II for increases for all teachers.

It appears that more Iowa students are interested in becoming teachers today than before the passage of the Education Excellence Program. Teacher attrition appears to have decreased for teachers under the age of thirty. It also appears that the number of teachers retiring dropped the first two years of the program and increased in the most current year.

Many factors are contributing to students selecting teaching as a vocation and remaining in teaching. It would be erroneous to assume that the Educational Excellence Program was the only factor impacting recruitment and retention. However, the

positive findings are encouraging. The program has increased the average salary of teachers from a low point of 37th in the nation in 1985-86 to 29th in the nation for school year 1988-89.

The amount of information on the effectiveness of Phase III both from a descriptive and an evaluation perspective is somewhat limited. Phase III funding has provided the funds to allow school districts an opportunity to engage in staff and curriculum development. The implementation of new educational standards in Iowa was definitely enhanced by providing supplemental pay for the additional work involved. However the extent to which the "quality and effectiveness" of teachers has improved through the use of either performance-based pay or supplemental pay is unknown.

It seems that one of the programs strengths is also one of its weaknesses. Phase III programs have been designed from the bottom up and thus are meeting a variety of local needs. The local control, the ownership and the flexibility have all been viewed as enhancing the program's success. However, from the perspective of attempting to evaluate the program's success, it would appear that a more guided approach would have resulted in better evaluation information. Phase III funding is best regarded as an opportunity whose impact on teacher effectiveness and student outcome is unknown at this time.

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